

JENNIFER M. GRANHOLM

JOHN D. CHERRY, JR.

March 9, 2009

The Honorable Steven Chu Secretary United States Department of Energy Washington, D.C. 20585

Dear Secretary Chu:

In order that the State of Michigan may receive its share of State Energy Program (SEP) funds under the American Recovery and Renewal Act of 2009 (H.R. 1) (ARRA), I am providing the following assurances. I have written to the Chairman of our Public Service Commission to request that he consider additional actions to promote energy efficiency, consistent with the federal statutory language contained in H.R. 1 and the Commission's obligation to maintain appropriate and reasonable rates while protecting the public. I have also written to Michigan's Senate Majority Leader and to the Speaker of the House of Representatives to request that the state legislature consider actions to improve building energy codes, consistent with the ARRA, state law and relevant PURPA requirements.

As we plan for deployment of ARRA funds, we are prioritizing our energy investments to take advantage of existing programs and expand programs where appropriate. The State of Michigan is committed to a robust improvement in energy efficiency and renewable energy, as well as a balanced state energy policy. I can assure you that, within the limits of my authority, we will make progress in energy efficiency and renewable energy.

We look forward to immediate distribution of the Federal SEP funds so that the State of Michigan may move forward in these critical areas.

Sincerely volrs

Jern er M. Granholm

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